



SIGNAGE AND FAÇADE IMPROVEMENT PROGRAM

Provided by:

Public Works &
Housing and Economic Development
Departments

PACKET II

TOGETHER
**WE
CAN!**



Signage & Façade
Improvement Program

When everyone takes part everyone can take **pride.**

SFIP Stands for Signage and Façade Improvement Program. It's purpose is to assist local businesses with signage compliance and improve the appearance of existing businesses.

OUR MISSION Is to stimulate revitalization and private sector capital investment by proactively addressing deteriorating property conditions and encouraging improvements which increase economic vitality.

THE PROGRAM Reimburses owners of commercial buildings and businesses up to 50% of the total cost of eligible improvements, for a maximum reimbursement of \$10,000 for a single commercial property (Standard Incentive) or \$15,000 for a multiple address property (Multi-Tenant Property Owner Incentive). Applicants must NOT start work until receiving a signed approval from the City.



We're making National City Cleaner, Healthier, & Safer.



ELIGIBILITY CRITERIA

Eligible participants of the SFIP include property owners and tenants of commercial properties. A tenant who is leasing commercial space must have written approval from the property owner to participate in the program. Eligible participants must contribute to the visual enhancement of the property as viewed from the public right of way, employ 25 or fewer employees and poses a valid Business Tax Certificate.

Property owners also agree to maintain the improvements at his/her sole expense for a period of five (5) years. The property owner/tenant must owe no outstanding property taxes, fees, judgments, or liens to any government entity. The property owner/tenant must not have been convicted of a felony crime in the past seven (7) years.

Eligible applicants may apply to the SFIP more than once; however, applicants will not be awarded funding more than once in any five-year period on the same property. In addition, no property can be awarded funding more than once in any five-year period. If City code violations exist on the property, the owner/tenant may apply to the SFIP but will not receive any reimbursement until all violations have been remediated.

Program Exclusions: national franchises, large office buildings in excess of 80,000-square-feet, residential rental buildings (apartments), home-based businesses, structures not facing the public right-of-way, banks, government owned and occupied buildings, churches and other religious institutions.

Eligible Improvements

1. Exterior Signs
2. Awnings and canopies
3. Exterior painting, cleaning, façade repair
4. Plants and landscaping
5. Doors and windows
6. Façade and display window lighting
7. Fascia, tile, trim, metal work and other decorative elements
8. Demolition of obsolete structures
9. Addition of a patio or outdoor space

Ineligible Improvements

1. Reduction to the size of masonry openings/elimination of windows, or covering previously uncovered masonry with paint, stucco, siding, etc.
2. Equipment
3. Roof repairs (other than those portions that directly attach to a new or renovated façade)
4. Security systems
5. Non-permanent fixture
6. Installation of razor wire, metal bars and solid security grates
7. Personal property
8. Interior window coverings or any interior work
9. Parking lot paving and striping
10. Any items that are not allowed by the City building code

NOTE: Final decisions of financial contributions, amount of grant and eligible projects will be examined by staff on a case-by-case basis.



FAÇADE IMPROVEMENT PROGRAM INCENTIVES

Standard Incentive: All projects for a single small business may be considered for the standard incentive and may be awarded one-half of the eligible costs of the project up to a maximum of \$10,000.

Multi-Tenant Property Owner Incentive: A National City property owner leasing to two or more street level and street-facing small business tenants may be awarded one-half of the eligible construction costs up to a maximum of \$15,000. Each qualified tenant must have their own street facing entrance and be visible from the public right of way.

PROJECT INCENTIVE LIMITS:

PROPERTY TYPE	MINIMUM TOTAL PROJECT COST	APPLICANT MATCH REQUIREMENT	MAXIMUM REIMBURSEMENT
Standard Incentive	\$1,000.	≥ 50%	\$10,000.
Multi-Tenant Property Owner Incentive	\$2,500.	≥ 50%	\$15,000.

All projects should be completed by a licensed contractor, be permanent to the structure/facade and remain as part of the property if the building is sold or the applicant moves to a different location for a period of up to 5 years.

PROJECT REIMBURSEMENT

Reimbursements will only be made to approved project applicants who have executed a Facade Maintenance Agreement with the City. The amounts and terms of the reimbursement will be outlined in the agreement. Reimbursement will only be made upon the City's final approval of the improvements and the receipt of full back up documentation, which includes all of the following:

1. Fully executed Facade Improvement Program Applications;
2. All invoices, contracts, and verification of payment to architects, engineers, and contractors pursuant to the project;
3. Copies of all bids received (a minimum of two (2) licensed contractors is required);
4. A copy of the approved final building inspection from the Department of Building;
5. A photograph of the building after completion of the improvements; and,
6. Signed and Notarized Facade Maintenance Agreement and License to Enter in which the property owner agrees to maintain the City funded facade improvements for a minimum period of five (5) years.

ADDITIONAL ASSISTANCE

Financing Assistance. If applicant is pursuing financing for their facade improvements, the City will provide a copy of the fully executed Facade Maintenance Agreement and License with a cover letter explaining the parameters of the program to the applicant's lender in order to assist them in obtaining the financing.

PLEASE NOTE: Submitting an application does not guarantee approval. Applications will be processed on a first-come first-serve basis, and only those applications meeting all program objectives, including the design guidelines, will be approved. Approvals will be subject to the availability of reimbursement funds, the City, and, if applicable, the City of National City assumes no responsibility for the amount of time required to process an application.



POST-CONSTRUCTION APPLICATION PROCESS

Our application process is quite simple and the City is here to help you at any stage of your application process. Please identify the following steps, so we may review your request and guide you along our SFIP process for approval.

- 1** Read the Terms and Conditions included in this application packet.
 - 2** Once an application has been initially selected through the submission of their Step 1 Application, applicant will then review Building code requirements and submit plans to the Building department. A member from the Building Department will review design criteria with applicant for final approval and permits. Applicant must be accepted by HEDD and Building Department before you fill out this application.
 - 3** Complete a qualifying product within one year of the Step I Application and subsequent design coordination. Completed projects must accurately reflect the accepted conceptual design and include two or more eligible improvement elements.
 - 4** Be aware that funds are issued on a first-come, first-served basis and may be depleted for the fiscal year at any time. Unfunded projects will retain their “place in line” until the beginning of the next fiscal year on July 1.
 - 5** Read and sign the Step II application form. Mail the completed forms along with proof of expenses and current IRS W-9 form to:
City of National City
Housing and Economic Development
140 E. 12th Street, Suite B
National City, CA 92105
 - 6** Keep a copy of your completed application package (including receipts) for your records.
 - 7** An award check is generally mailed within 6-8 weeks unless there are documentation errors or omissions, which may result in additional processing time.
- The City of National City reserves the right to verify accuracy of all application materials, design conformation, and participant eligibility prior to payment of award. The City of National City is not responsible for items lost or destroyed in the mail/transit.
- Questions? Call Housing and Economic Development at (619) 336-4216

TERMS AND CONDITIONS

1. To be eligible for an incentive, I understand that: (a) the property must be located in the City of National City and must be occupied by a small business (25 or fewer employees); (b) business occupants must hold valid City of National City Business Tax Certificates; and (c) the Signage and Façade improvement project must qualify as described in the Step I Application, Eligibility Guidelines (incorporated herein by this reference). I understand I must complete an application for each project site. _____
Initial
2. I understand the incentive offer is limited to applicants who successfully completed a Step I application which resulted in an accepted conceptual design. The project must be fully completed and accurately reflect the initial accepted design concept, including two or more eligible improvement elements. Photos of the final completed project must be submitted with this application. _____
Initial
3. If a tenant of the subject property, I am responsible for obtaining the property owner's permission to participate in the program and complete the project for which I am applying for an incentive. Documentation of such permission is attached as part of this application. Otherwise, my signature on this application indicates I am the owner of the property. _____
Initial
4. I agree to comply fully with all applicable Federal, State, and local laws, ordinances, codes, regulations, permits, and design guidelines. The City of National City does not assume liability for compliance with local, state, or national building code standards and conceptual design acceptance by the HEDD does not create any liability whatsoever. The City of National City will not issue any award if the subject property is in violation of any law, ordinance, codes, regulation, permit or design guideline. I assume responsibility for any costs arising from repairs or alterations caused by any violation of any law, ordinance, codes, regulation, permit or design guideline. _____
Initial
5. I understand the program term is one year from design acceptance date. Funds are limited; grants are awarded on a first-come, first-served basis. The program may be modified or discontinued without prior notice. In the event that incentive amounts change during the program period, the design acceptance date will be used to determine incentive amount. Submission of an application does not constitute a guarantee of funding. _____
Initial
6. I shall not discriminate against any employee or applicant for employment on any basis prohibited by law and shall provide equal opportunity in all employment practices. _____
Initial
7. I understand that this signed and dated Step II Certification of Compliance and Application for Award Form, completed Project Form and all appropriate Proof(s) of Expense(s), and other required documentation as referenced in this Application Package must be sent to The City's Housing and Economic Development Department office to be considered eligible for payment of an award. An incomplete application will not be processed. Only improvements made to the street-facing portion of the building are eligible. _____
Initial
8. I agree that the selection of qualifying materials, selection of contractors, subcontractors, and or installers, and purchase, installation and ownership/maintenance of the qualifying materials referenced in this application package are my sole responsibility. All contractors must be licensed in the State of California. All construction contracts will be between the participant and the contractor. The City of National City will not assume any liability for such agreements. The parties hereto agree and understand that this program does not create any type of contractual relationship between the City and the proposed participants, nor does it create any relationship between the City and the participant's subcontractors. _____
Initial
9. I have completed a qualifying project and understand the project category and amount of my investment determines the award amount. It is the City of National City's sole and entire discretion as to whether a participant meets the requirements to qualify for an incentive award. An award will not be approved unless participant has submitted a Step I application and contacted HEDD PRIOR to undertaking construction on the project. I understand that I cannot receive an award for the same project more than once in a five-year period. _____
Initial
10. I waive any and all claims against The City of National City and its respective elected officials, officers, employees, agents and representatives, arising out of activities conducted in connection with my application for any incentive(s) under the City of National City Signage and Façade Improvement Program. Without limiting the generality of the foregoing, the City of National City shall not be liable hereunder for any type of damages, whether direct, indirect, incidental, consequential, exemplary, reliance, punitive or special damages, including damages for loss of use regardless of the form of action, whether in contract, indemnity, warranty, strict liability or tort, including negligence of any kind. _____
Initial
11. By accepting grant funds, I commit to properly maintain all improvements and to keep storefronts, as well as sides and back of buildings clean and free of graffiti for a minimum of five years at my sole expense. Any damage to façade is to be repaired immediately by myself so that the building remains in good condition and positively contributes to the business area. On an ongoing basis, I will touch up painted areas and perform any other repairs needed to maintain building appearance including the cleaning of any awnings at least once a year. _____
Initial

I HAVE READ, UNDERSTAND, AND AGREE TO THE TERMS AND CONDITIONS LISTED ABOVE. I CERTIFY THAT I HAVE AUTHORITY TO SIGN THIS APPLICATION ON BEHALF OF THE SFIP PROJECT LOCATED AT:

Address: _____

Signature: _____ Print Name: _____ Date: _____



STOREFRONT IMPROVEMENT ELIGIBLE EXPENSE PROCEDURES

- Eligible Expenses include repair, replacement or new applications of awnings, windows, doors, lighting, paint, landscaping, tile or other decorative material, and signs. Also, eligible for program inclusion is removal of security bars and code compliance for signage violations. Completed projects must incorporate two or more eligible improvement elements.
- Only expenses directly related to the realization of the initial accepted design concept on file with HEDD are eligible.
- All construction or installation must have been properly permitted and performed by a licensed contractor. Please provide the State Contractors' License number for all contractors. Applicants may verify current license numbers at the Contractors State License Board's website: www.cslb.ca.gov
- All contractors and service/materials suppliers must have a current City of National City Business Tax Certificate
- Attach a copy of all pre-numbered checks and the invoices or receipt detailing the services/product for each expense. All invoices shall itemize the expenditures for which payment is requested. Statements alone are not acceptable but may be submitted in addition to the invoice or receipt.
- For items paid for with credit cards, include a copy of the receipt, credit card statement expense is billed on, and cleared check documentation for the credit card payment.
- Include bank statements, bank website printouts, or copies of check cancellation showing all checks as cleared.
- Submitted "after" photos must match original design plan. Photos may be emailed to mgamwell@nationalcityca.gov



AWARD DESCRIPTION FORM

This form is available online for download. Complete and mail this Award Description Form with your evidence of expenses, and other required documentation. Please indicate if listed expenses represent more than the eligible façade improvement costs.

EXPENSE CATEGORY	CONTRACTOR NAME & LICENSE NUMBER	DESCRIPTION OF WORK <small>Business tax cert. verified?</small>	DATE	AMOUNT
Exterior Signs		<input type="checkbox"/>		\$
Awnings and Canopies		<input type="checkbox"/>		\$
Paint		<input type="checkbox"/>		\$
Landscaping		<input type="checkbox"/>		\$
Doors and Windows		<input type="checkbox"/>		\$
Lighting		<input type="checkbox"/>		\$
Tile or other trim work		<input type="checkbox"/>		\$
Demo		<input type="checkbox"/>		\$
Patio/Outdoor space		<input type="checkbox"/>		\$
Other (as approved)		<input type="checkbox"/>		\$
Total Expenses				\$
Incentive Type (check one) <input type="checkbox"/> Standard (one-half expenses up to \$10,000) (a) ÷ 2 <input type="checkbox"/> Multi-Tenant* (one-half expenses up to \$15,000) (a) ÷ 2				
Total Award				

SIGNAGE AND FAÇADE MAINTENANCE AGREEMENT

This Signage and Façade Maintenance Agreement (“Agreement”), is entered into on this [insert day] day of [insert month], 2017 by and between: the City of National City, a municipal corporation (the “City”); [insert owner’s name and mailing address], hereafter referred to as the “Property Owner”; and [insert business name], hereafter referred to as the “Participant,” located at [insert business address] in National City, California, hereafter referred to as the “Property.”

RECITALS

WHEREAS, the City desires to stimulate private and public investment throughout the City of National City.

WHEREAS, Government Code § 40401(b) permits the City Council to improve, equip, and maintain places within the City.

WHEREAS, part of the City’s vision and guiding principles in the City’s General Plan, adopted June 7, 2011, focuses on the City maintaining and enhancing economic development opportunities as well as implementing measures that retain and attract business.

WHEREAS, Objective #2 of the City’s 2013-2018 Strategic Plan seeks to establish economic development programs that retain existing businesses and stimulate new investments.

WHEREAS, the City believes that investment in improvements visible to customers, neighboring merchants, and residents will beautify the community and increase the volume of business by making the City of National City and individual businesses more attractive and accessible.

WHEREAS, the City believes that certain improvements that are completed in a meaningful and artful way confer a public benefit by providing certain visual elements and improvements that can be viewed and used by the general public.

WHEREAS, the City has determined that the Property subject to this Agreement is located at a strategic location in the City of National City and whose enhancement would confer an aesthetic and economic benefit to the City of National City.

NOW, THEREFORE, THE PARTIES TO THIS AGREEMENT DO MUTUALLY AGREE AS FOLLOWS:

1. DEFINITIONS

The defined terms shall have the meanings described in this Section whenever used in this Agreement, except where the context clearly indicates otherwise. The City, in its sole discretion, will resolve any question about the intended meaning of the following terms:

- A. Acceptance Date means the date the Improvements are accepted in writing by the City.
- B. Contractor means the California-licensed general contractor selected through a City-approved competitive bidding process to complete the Improvements on the Property. The term “Contractor” also includes any subcontractors, or other construction-related third parties, hired by the Contractor to complete any portion of the Improvements.
- C. Contractor’s Agreement and Scope of Work means the contract entered into between the Property Owner and the Contractor for construction of the Improvements on the Property.
- D. Emergency Repairs means any entrance upon the Property, made on behalf of the City, to repair, protect, maintain, and preserve the architectural style and treatment to the Façade of the Property.
- E. Façade means the exterior surfaces of the building(s) located on the Property given special architectural treatment.
- F. Improvements means the total improvements made to the Façade of the Property as indicated on **Exhibit “B.”**

- G. Irrevocable License means the portion of land on the Property that the Property Owner grants to the City to occupy and use, to conduct Emergency Repairs of the Façade. (See **Exhibit “B”**).
- H. Loan means the City reimbursement of \$[insert amount] to the Property Owner upon proper completion of the Improvements.
- I. Participant means the person or persons operating the business located at the Property where the Improvements are made.
- J. Project has the same meaning as “Improvements.”
- K. Project Manager means the City’s designated representative who will monitor the progress and execution of the Improvements to be constructed under this Agreement.
- L. Property means the unit of real property identified within the County Recorder’s documents that will be improved under this Agreement. For purposes of this Agreement, the Property is also that real property commonly known as “[insert business name]”, located at [insert business address], National City. A legal description of the Property is attached hereto as **Exhibit “A”**.
- M. Property Owner means the person or entity identified on the title to the Property as shown on the records of the San Diego County Recorder’s Office. The Property Owner is also identified on the Certificate of Ownership (See **Exhibit “C”**).
- N. Total Cost Expenditure means all receipts, invoices, and other written documents that show the total actual costs, not to exceed \$[insert dollar amount], paid by the Property Owner to the Contractor to complete the Project.

2. CERTIFICATE OF OWNERSHIP

The Property Owner accepts all Improvements made to the Property under this Agreement and has signed the Certificate of Ownership, attached to this Agreement as **Exhibit “C”**.

3. PARTICIPANT CONSENT AND RESPONSIBILITIES

- A. The Participant consents to the construction of Improvements on the Property and to the Irrevocable License described in this Agreement.
- B. The Participant may not prohibit or deny the City, or a representative of the City, from making Emergency Repairs to the Façade for a period of five (5) years following the Acceptance Date.

4. PROPERTY OWNER’S RESPONSIBILITIES

- A. The Property Owner will meet with the Project Manager and other City representatives to coordinate the construction of the Improvements.
- B. Within ten (10) days after this Agreement is signed by all parties, the Property Owner shall both: (1) enter into the Contractor’s Agreement and Scope of Work, and (2) provide a signed copy of the Contractor’s Agreement to the Project Manager.
- C. The Property Owner must maintain the Improvements in good condition as determined by the City. The Property Owner must repair or replace any damage to the Improvements for five (5) years following the Acceptance Date. The City must approve all proposed repair or replacement of the Improvements completed pursuant to this Section 4 (C).

- D. The Property Owner will not increase the rent to the Participant for a period of five (5) years following the completion date of the Improvements.

5. LOAN TO PROPERTY OWNER

- A. The City will reimburse the Property Owner \$[insert dollar amount] after the Property Owner properly installs the Improvements at the Property ("Loan"). The Loan will become immediately repayable to the City if:
 - (1) the Property is: sold; leased; conveyed; refinanced (except for refinances involving existing secured debt which is in a superior position to the City Loan secured by this Agreement); vacated; transferred; or assigned.
 - (2) Any event listed in Section 5(A)(1) occurs within five (5) years after the Acceptance Date.
- B. The City will pay the Loan to the Property Owner, as discussed in Section 7, for services described in the Contractor's Agreement and Scope of Work.

6. CONDITIONS OF LOAN / IRREVOCABLE LICENSE

- A. If the City determines that the Improvements described in the Contractor's Agreement and Scope of Work are properly maintained for at least five (5) years following the Acceptance Date, the City will forgive the Loan. If forgiven, the Property Owner will not be required to repay the Loan to the City. However, the Loan will become immediately repayable to the City if:
 - (1) the Property is: sold; leased; conveyed; refinanced (except for refinances involving existing secured debt which is in a superior position to the City Loan secured by this Agreement); vacated; transferred; or assigned.
 - (2) the City determines that the Improvements are not properly maintained as required by Section 4 of this Agreement.
 - (3) the City provides Property Owner and Participant with written notice that either event in Subsections (1) -(2) of this Section 6 has occurred.
- B. Any payments owed to the City pursuant to this Section 6 shall accrue interest at twelve percent (12%) per annum or at the highest amount permitted by applicable law, whichever is lower, and will be retroactive to the date of the Loan. Any payments the City receives pursuant to this Section 6 shall first be applied to accrued interest, then to the principal amount.
- C. The Irrevocable License, attached to this Agreement as **Exhibit "B,"** must be granted from the Property Owner to the City. The Irrevocable License shall guarantee the City the right to make Emergency Repairs to the Property if the Property Owner fails to maintain the Property and the Façade pursuant to Section 4. In the event of such failure, the City may assess the Real Property in the amount of the Emergency Repairs.

7. CITY'S RESPONSIBILITIES

- A. The City will meet with the Property Owner to discuss the design of the Improvements.
- B. The Property Owner will select the Contractor. The Contractor must provide the Project Manager, or designee, (1) proof of contractor's license and (2) proof of insurance. The Contractor's insurance must meet all requirements in Section 13 of this Agreement.

- C. The Contractor must submit proposed plans to construct the Improvements with the City. The City shall have sole discretion to accept or deny any proposed plans submitted by the Contractor.
- D. The Project Manager will monitor the construction of the Improvements and require that the Contractor follow the Contractor's Agreement and Scope of Work when constructing the Improvements. The Loan described in Section 5 is the only source of funding for any payments made to a Contractor under this Agreement.
- E. The City shall have sole discretion to determine whether the Improvements conform to the Contractor's Agreement and Scope of Work and any other City-approved plans.
- F. If the City determines that the Improvements conform to the Contractor's Agreement and Scope of Work, and any other City-approved plans, the City will notify the Property Owner and Participant in writing. The date of this writing will be the Acceptance Date.
- G. The City shall review the Total Cost Expenditure submitted by the Property Owner. If no discrepancies with the Total Cost Expenditure exist, and all other obligations under this Agreement have been met, the City shall issue full payment of the Loan to the Property Owner within thirty (30) days' receipt of the Total Cost Expenditure.

8. **RECORDED AGREEMENT**

- A. This Agreement shall be recorded in the Office of the San Diego County Recorder. This Agreement will constitute constructive notice to the public that:
 - (1) if the Property is: sold; leased; conveyed; refinanced (except for refinances involving existing secured debt which is in a superior position to the City Loan secured by this Agreement); vacated; transferred; or assigned less than five (5) years following the Acceptance Date, the Loan shall become immediately repayable as described in Section 6 of this Agreement.
 - (2) if the City determines that the Improvements are properly maintained for at least five (5) years following the Acceptance Date, the City will forgive the Loan.
 - (3) if the City forgives the Loan, the Property Owner will not be required to repay the Loan to the City. If the Loan is so forgiven, the City shall promptly record with the San Diego County Recorder a re-conveyance of title to the Property and all other documents necessary to clear title to the Property.
- B. If the Property Owner has not paid the City the full cost of any Emergency Repairs (including accrued interest) performed to the Property five (5) years following the Acceptance Date, the Irrevocable License shall continue in effect until the City is paid for the Emergency Repairs (include accrued interest).

9. **TIME OF PERFORMANCE**

The Contractor must complete the Improvements within **six (6) MONTHS** of the date of this Agreement. The Contractor shall submit the Total Cost Expenditure to the Project Manager **no later than thirty (30) days** after the Acceptance Date.

10. **INDEMNIFICATION AND HOLD HARMLESS**

The Property Owner and Participant each agree to defend, indemnify and hold harmless the City of National City, its officers, officials, agents, employees, and volunteers against and from any and all liability, loss, damages to property, injuries to, or death of any person or persons, and all claims, demands, suits, actions, proceedings, reasonable attorneys' fees, and defense costs, of any kind or nature, including workers' compensation claims, of or by anyone whomsoever, resulting from or arising out of Property Owner and Participants' respective performance or other obligations under this Agreement; provided, however, that this indemnification and hold harmless shall not include any claims or liability arising from the established sole negligence or willful misconduct of the City, its agents, officers, employees or volunteers. City will cooperate reasonably in the defense of any action, and Property Owner and Participant shall employ competent counsel, reasonably acceptable to the City Attorney.

The indemnity, defense, and hold harmless obligations contained herein shall survive the termination of this Agreement for any alleged or actual omission, act, or negligence under this Agreement that occurred during the term of this Agreement.

11. WORKERS' COMPENSATION

The Property Owner and Participant shall comply with all of the provisions of the Workers' Compensation Insurance and Safety Acts of the State of California, the applicable provisions of Division 4 and 5 of the California Labor Code and all amendments thereto; and all similar State or federal acts or laws applicable; and shall indemnify, and hold harmless the City and its officers, employees, and volunteers from and against all claims, demands, payments, suits, actions, proceedings, and judgments of every nature and description, including reasonable attorney's fees and defense costs presented, brought or recovered against the City or its officers, employees, or volunteers, for or on account of any liability under any of said acts which may be incurred by reason of any work to be performed by the Property Owner and Participant under this Agreement.

12. INSURANCE

The Property Owner, at Property Owner's sole cost and expense, shall purchase and maintain, and shall require their Contractor, when applicable, to purchase and maintain throughout the term of this Agreement, the following insurance policies:

- A. **Automobile Insurance** covering all bodily injury and property damage incurred during the performance of this Agreement, with a minimum coverage of \$1,000,000 combined single limit per accident. Such automobile insurance shall include owned, non-owned, and hired vehicles ("any auto"). The policy shall name the City and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided.
- B. **Commercial General Liability Insurance**, with minimum limits of either \$2,000,000 per occurrence and \$4,000,000 aggregate, or \$1,000,000 per occurrence and \$2,000,000 aggregate with a \$2,000,000 umbrella policy, covering all bodily injury and property damage arising out of its operations, work, or performance under this Agreement. The policy shall name the City and its officers, agents, employees, and volunteers as additional insureds, and a separate additional insured endorsement shall be provided. The general aggregate limit must apply solely to this "project" or "location". The "project" or "location" should be noted with specificity on an endorsement that shall be incorporated into the policy.
- C. **Workers' Compensation Insurance** in an amount sufficient to meet statutory requirements covering all of Contractors' employees and employers' liability insurance with limits of at least \$1,000,000 per accident. In addition, the policy shall be endorsed with a waiver of subrogation in favor of the City. Said endorsement shall be provided prior to commencement of work under this Agreement. If Contractor have no employees subject to the California Workers' Compensation and Labor laws, Contractor shall execute a Declaration to that effect. Said Declaration shall be provided by the Property Owner and Contractor to City.
- D. The aforesaid policies shall constitute primary insurance as to the City, its officers, officials, employees, and volunteers, so that any other policies held by the City shall not contribute to any loss under said insurance. Said policies shall provide for thirty (30) days prior written notice to the City's Risk Manager, at the address listed in subsection G below, of cancellation or material change.
- E. If required insurance coverage is provided on a "claims made" rather than "occurrence" form, the Property Owner and Contractor shall maintain such insurance coverage for three years after expiration of the term (and any extensions) of this Agreement. In addition, the "retro" date must be on or before the date of this Agreement.
- F. The Certificate Holder for all policies of insurance required by this Section shall be:

City of National City
c/o Risk Manager
1243 National City Boulevard
National City, CA 91950-4397

- G. Insurance shall be written with only insurers authorized to conduct business in California that hold a current policy holder's alphabetic and financial size category rating of not less than A:VII according to the current Best's Key Rating Guide, or a company of equal financial stability that is approved by the City's Risk Manager. In the event coverage is provided by non-admitted "surplus lines" carriers, they must be included on the most recent California List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meet rating requirements.
- H. This Agreement shall not take effect until certificate(s) or other sufficient proof that these insurance provisions have been complied with, are filed with and approved by the City's Risk Manager. If the Property Owner and Contractor do not keep all of such insurance policies in full force and effect at all times during the terms of this Agreement, the City may elect to treat the failure to maintain the requisite insurance as a breach of this Agreement and terminate the Agreement as provided herein.
- I. All deductibles and self-insured retentions in excess of \$10,000 must be disclosed to and approved by the City.
- J. If the Property Owner and Contractor maintain broader coverage or higher limits (or both) than the minimum limits shown above, the City requires and shall be entitled to the broader coverage or higher limits (or both) maintained by the Property Owner and Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

13. NOTICE OF DEFAULT

If the Property Owner or Participant (or both) fail to perform or observe any of their respective obligations required by this Agreement, the City will provide written notice to the Property Owner or Participant (or both) explaining such default. If Property Owner or Participant (or both) fail to correct such default within thirty (30) days' receipt of the notice, and fail to make diligent efforts to correct the default, the Loan will become immediately repayable pursuant to Sections 5, 6, and 8 of this Agreement.

14. ENTIRE AGREEMENT; EXHIBITS AND SCHEDULES

- A. This Agreement supersedes any prior agreements, negotiations and communications, oral or written, and contains the entire agreement between the parties regarding the site improvement provisions described in this Agreement. No subsequent agreement, representation, or promise made by either party to this Agreement, or by or to an employee, officer, agent or representative of any party to this Agreement shall be of any effect unless it is in writing and executed by the party to be bound thereby.
- B. The Exhibits attached to this Agreement are hereby incorporated to this Agreement by this reference for all purposes. To the extent any Exhibits, schedules, or provisions thereof conflict or are inconsistent with the terms and conditions contained in this Agreement, the terms and conditions of this Agreement shall control.

15. MODIFICATIONS TO AGREEMENT

The terms of this Agreement may not be modified or amended except by an instrument in writing signed by each of the parties to this Agreement.

16. CONSTRUCTION OF AGREEMENT

The parties acknowledge that (1) each party is of equal bargaining strength, (2) each party has actively participated in the drafting, preparation and negotiation of this Agreement, (3) each such party has consulted with or has had the opportunity to consult with its own, independent counsel and such other professional advisors as such party has deemed appropriate, relative to any and all matters contemplated under this Agreement, (4) each party and such party's counsel and advisors have reviewed this Agreement, (5) each party has agreed to enter into this Agreement following such review and the rendering of such advice, and (6) any rule or construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement, or any portions hereof, or any amendments hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

CITY OF NATIONAL CITY

By: _____
Leslie Deese, City Manager

APPROVED AS TO FORM:
Angil P. Morris Jones
City Attorney

By: _____
Roberto M. Contreras
Deputy City Attorney

[insert name of Property Owner], Property Owner of
[insert property address], National City, California 91950
(Corporation – signatures of two corporate officers required)

By: _____
(Name)

(Print)

(Title)

By: _____
(Name)

(Print)

(Title)

[insert name of Participant], Operator of “[**insert name of business**]” (located at **[insert business address]** National City, California 91950)
(Corporation – signatures of two corporate officers required)

By: _____
(Name)

(Print)

(Title)

By: _____
(Name)

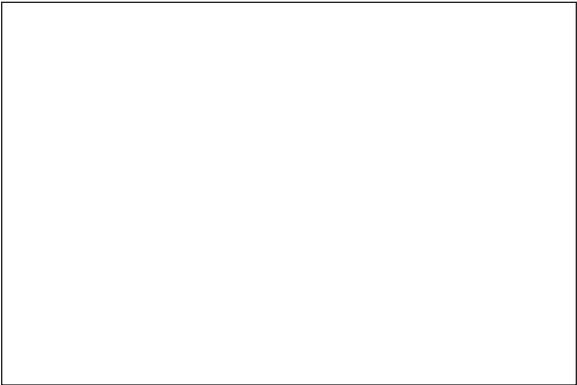
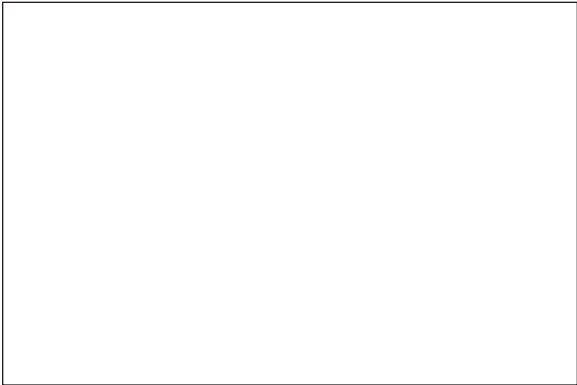
(Print)

(Title)

EXHIBIT "A" THE PROPERTY

Please provide the County Recorder description identifying the unit of real property that will be improved under this Agreement.

Please attach your images here:



Example

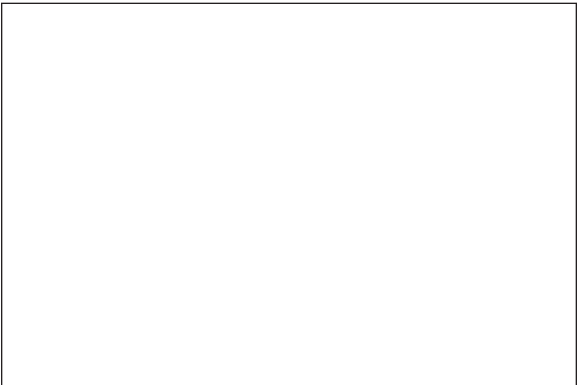
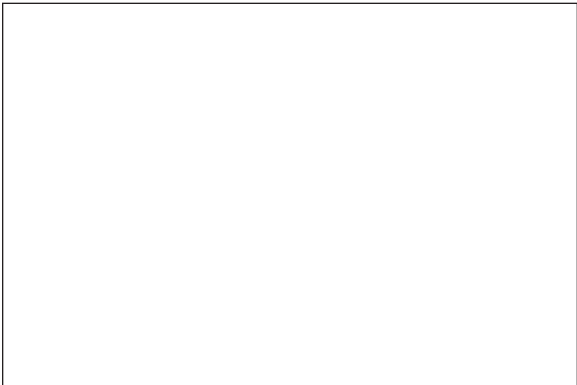
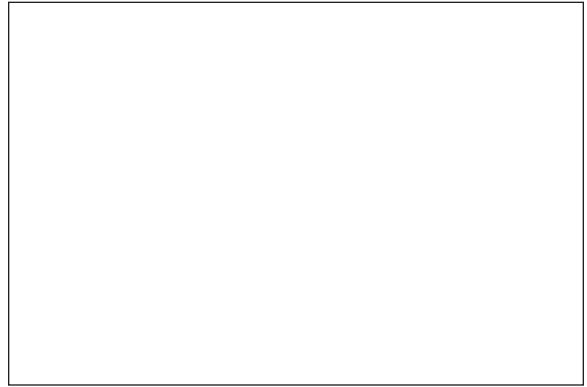
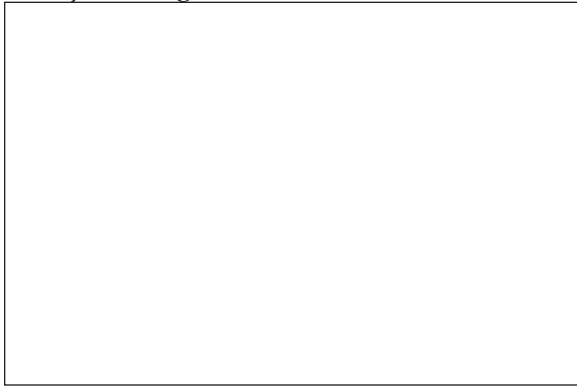


EXHIBIT "B" THE IMPROVEMENTS

Please provide a signed copy of your packet II / Irrevocable license to enter and copies of the before and after photos of your improvements.

Please attach your images here:



Example



EXHIBIT "C" PROPERTY OWNER WRITTEN APPROVAL

A tenant who is leasing commercial space must have written approval from the property owner to participate in the program. Please affix the documentation here (if necessary).